III. TRIENNIAL FORECAST.

The statement No. 5, in two parts is a forecast of the financial position in the three years commencing with the current year. The first part contains the figures, by groups of Heads and the second part by Major Heads. In framing this forecast the following important assumptions have been made :—

(i) the growth of revenue shown in columns Nos. 5 and 7 of the statement will be realised,

(iii) the annual surpluses of the Assigned Tract will be received in full,

(iii) there will be no large growth of expenditure in the triennium;

(iv) the addition of a lakh of Rupees is necessary for extension of the Judicial Reform scheme,

(v) the annual grant to the University is taken at Rs. 9 lakhs,

(vi) the contribution to the Irrigation Capital Reserve is omitted in all the three years.

(vii) The arrangement of equalising the annual charge on the Revenue account for loss on account of interest on investments in productive works in their initial non-paying stages by means of a reserve fund for the purpose is omitted. Under the present Settlement, the annual contribution from Revenue for three years was taken at Rs. 9 lakhs and the annual loss to be met from it at Rs. 4 lakhs.

(viii) the annual allotment to the new Guests' Palace is taken at Rs. 5 lakhs.

(ix) The amount to be borrowed for financing capital works in the triennium is taken at Rs. 2½ crores. This amount is not likely to be found sufficient if the estimate for the Iron Works will be raised substantially, as is likely, owing to the cost of tramways having been taken in the original estimate at an extremely low figure.

The net result in each of the years is as under :—

1920—21	— 7,31
1921—22	—19,79
1922—23	—22,13

The deficit of Rs. 22,13 in the third year shows the real position after taking into account all the items of revenue on which we can reasonably count and all the items of expenditure for which provision is necessary *on the scale of present commitments.* The smaller deficits in the first two years of the triennium are chiefly due to the temporary aid derived from departmental balances and accumulated reserves.

Statement

FORECAST OF THE FINANCIAL POSITION IN THE

PART

Receipts.	Budget Estimate, 1920–21.	Standard 1920–21.	Standard 1921–22.	Stanard. 1922-23.
Principal Heads of Revenue	2,48.06	2,59,01	2,63,32	2,67,63
Surplus Revenues of Assigned Tract	8,00	7,00	7,00	7,00
Mining Revenue	10,00	13,00	13,00	13,00
Interest	9,27	7,60	7,60	7,60
Civil Administration	2,61	1,86	1,89	1,92
Protection	1,11	77	79	81
Public Works	1,10	1,20	1,20	1,20
Moral and Material Development	3,04	2,10	2,30	2,50
Army and Defence	63	35	35	35
Railway-Revenue Account-Net Receipts	16,96	18,75	20,25	21,75
Productive Irrigation Works-Revenue Account Net Receipts	3,18	2,78	2,93	3,08
Electrical Works-Revenue Account-Net Receipts	9,49	10,00	13,95	17,90
Industrial and other Works-Revenue Account Net Receipts	1,70	1,97	2,00	5,03
Total Revenue...	3,15,15	3,26,39	3,36,58	3,49,77

No. 5.

THREE YEARS COMMENCING WITH 1920—21.

I.

Expenditure.	Budget Estimate 1920–21	Standard 1920–21.	Standard 1921–22	Standard 1922–23.
Direct demands on Revenue	43,52	50,45	50,45	50,45
Charges against Mining Revenue	6,91	6,92	6,92	6,92
Interest and Sinking Funds	23,83	20,24	26,01	32,74
Palace	23,50	23,50	23,50	23,50
Civil Administration	60,98	40,59	36,09	36,09
Protection	36,25	43,05	44,05	44,05
Public Works	37,15	37,68	37,68	37,68
Moral and Material Development	59,16	64,50	66,50	66.50
Local Self Government	7,75	7,87	7,87	7,87
Army and Defence	55,46	57,56	57,56	57,56
Famine Relief and Insurance	5,00	5,00	5,00	5,00.
Miscellaneous Railway and Eiectrical Expenditure	31	1,07	1,07	1,07
Special Reserve for Non-Recurring expenditure	27,83	3,50	3,50	3,50
Add-Unspent allotments transferred to balances at credit of Departments	...	...	...	...
Total Expenditure ...	3,87,65	3,61,93	3,66,20	3,72,93
Deduct-Expenditure met from balances at credit of Departments and Reserves	62,99	28,23	9,83	1,03
Total expenditure charged to Revenue	3,24,66	3,33,70	3,56,37	3,71,90
Surplus + or Deficit—	—9,51	—7,31	—19,79	—22,13
Total...	3,15.15	3,26,39	3,36,58	3,49,77

PART II.

REVENUE.

	Buget 1920–21		Standard for Settlement period.					Remarks.
			Initial standard 1920–21	1921–22		1922–23		
				Growth.	Standard	Growth	Standard	
1	2	3	4	5	6	7	8	9
Principal Heads of Revenue.								
1. Land Revenue ...	112,00		112,00	1,00	113,00	1,00	114,00	
2 Forest ..	40,06		42,85	80	43,65	80	44,45	
3. Excise ..	72,00		77,00	2 00	79,00	2,00	81,00	Actual in 1919-20: 72 lakhs. Increase in rents 1920—21 about 5 lakhs.
4. Income and Mis. Taxes ...	6,50		8.30	...	8 30	...	8,30	Income tax estimate net. Gross estimate roughly 9 lakhs
5 Stamps ..	14,50		15,86	43	16 29	43	16,72	
6. Registration	3,00		3 00	8	3,08	8	3,16	
Total ...	248,06		259,01	4,31	263,32	4,31	267,63	
Surplus Revenue of Assigned Tract.								
7. Assigned Tract Revenue ...	8,00		* 7,00	...	* 7,00	...	7,00	*Retained as the Govt. of India withholding order is expected to be withdrawn
Mining Revenue.								
8. Mining Revenue..	10,00		13,00		13,00		13,00	
Interest.								
9. Interest ...	9,27		7,60	...	7,60	...	7,60	
Civil Administration.								
10. Scientific and Mis. Departments ...	29		15	...	15	...	15	
11. Pensions and allowances ...	15		15	...	15	...	15	
12. Stationary and Printing ...	61		30		30	...	30	
13. Miscellaneous ...	1,56		1,26	3	1,29	3	1,32	
Total ...	2,61		186	3	1,89	3	1,92	
Protection.								
14. Courts of Law ...	69		45	2	47	2	49	
15 Jails ...	2		2	...	2	...	2	
16. Police ...	6		6	...	6	...	6	
17. Medical ...	30		20	...	20	...	20	
18. Sanitation and Vaccination ...	4		4		4		4	
Total ...	1,11		77	2	79	2	81	

PART II.—(*Contd.*)

REVENUE.

	Budget 1920-21		Standard for Settlement Period.					Remarks.
			Initial standard 1920-21	1921-22		1922-23		
				Growth	Standard	Growth	Standard	
1	2	3	4	5	6	7	8	9
Public Works.								
19. Civil Works ...	1,10		1,20	...	1,20	...	120	
Moral and Material Developement.								
20. Economic Conference and Co-opeative Societies ...	1		1	...	1	...	.1	
21. Education ...	1,73		1,16	20	1,36	20	1,56	
22. Agriculture ...	1,19		90	...	90	..	90	
23. Industries and Commerce ..	11		3	...	3	...	3	
Total ...	3.04		2,10	20	2,30	20	2,50	
Army and Defence								
24. Army ...	63		35	...	35	...	35	
Railways Revenue Account.								
25. Railways (Net Receipts) ...	16,96		18,75	1,50	20,25	1,50	21,75	
Productive Irrigation Works Revenue Account.								
26. Krishnaraja Sagara works (Net receipts) ...	3,18		2,78	15	2,93	15	3.08	
Electrical Works Revenue Account.								
26. Electrical works (Net Receipts)..	9,49		10,00	3,95	13,95	3,95	17,90	VI. Installation Revenue 3,50 in 1921-22 7,00 in 1922-23.
Industrial and other Works Revenue Account.								
27, Sandal Oil Factory (Net receipts) ...	1,31		1,00	...	1,00	...	1.00	
28 Kolar Gold Fields Water Works (Net Receips)...	—26		50	....	50	...	50	
29. Industrial Works Profits ...	. 65		47	3	50	3	53	
30. Iron Works ...	...		...	...	..	3,00	3,00	
Total ...	1,70		1,97	3	2,00	3,03	5 03	
Grand Total Revenue.	315,15		326,39	10,19	336,58	13,19	349,77	

PART II—*Contd.*

EXPENDITURE.

	Budget estimate, 1920–21		Standard based on the budget for 1920—21. No Growth of Expenditure previded for			Remarks.
			1920–21	1921–22	1922–23	
1	2	3	4	5	6	7
Direct Demands on Revenue						
1. Land Revenue ..	22,96		22,96	22,96	22,96	
2. Forest ...	13,98		13,98	13,98	13,98	
3. Excise ..	4,39		4,39	4,39	4,39	
4. Stamps ..	91		91	91	91	
5. Registration ..	1,28		1,28	1,28	1 28	
Total ...	43,52		4,352	43,52	43,52	
High Prices allowance ..			6,93	6,93	6,93	
Charges Against Mining Revenue						
6. Capitalization Fund ...	4,83		4,83	4,83	4,83	
7. Supervision of mines.	2,08		2 08	2,08	2 08	
Total ..	6,91		6,91	6,91	6,91	
High Price allowance ..			1	1	1	
Interest and Sinking Funds.						
8. Sinking Fund ..	3,33		4,05	4,75	6,79	Sinking Fund contribution of 1,33 for loan of 1906 is not necessary from 1921—22. Contribution of 2 lakhs for new loan not necessary. Actuals of sinking funds calculated on present loan programme entered.
9. Interest on debt and other obligations ...	11,50		11,50	11,50	11,50	
10. Reserve for interest on Capital Expenditure ..	9,00		...	...	...	Omitted in the standard
Interest for new Loan ...	...		4,69	9,76	14,45	Actuals calculated on the basis of the present programme of loan operations.
Total ...	23,83		20,24	26,01	32,74	

PART II.—(*Contd.*)

EXPENDITURE.

	Budget estimate, 1920–21.		Standard based on the budget for 1920—21. No Growth of Expenditure provided for			Remarks.
			1920–21	1921–22	1922–23	
1	2	3	4	5	6	7
Palace.						
11. Palace ...	23,50		23,50	23,50	23,50	
Civil Administration.						
12. General Administration ...	17,61		17,61	13,11	13,11	Special expenditure on Viceroy's and Prince of Wales' visits included in 1920—21 omitted in the subsequent 2 years (4½ lakhs)
13. Muzrai Institutions ...	3.60		3.60	3,60	3,60	
14 Scientific and Miscellaneous Depts. ...	2,31		2,31	2,31	2,31	
15. Pensions and allowances ...	9,10		9,10	9,10	9,10	
16. Stationery & Printing.	5,14		5,14	5,14	5,14	
17. Miscellaneous ...	1,42		1,42	1,42	1,42	
Food Supply Establishment etc. ...	1,80		...	...	...	This is expected to cease before the close of this year.
Total ...	40,98		39,18	34,68	34,68	
Grain Compensation and special allowance ..	20,00		...	...	...	For all groups in Budget Distributed in Standard.
High Prices allowances...	...		1,41	1,41	1,41	
Protection.						
18. Courts of Law ...	10,83		10,83	11,83	11,83	1 lakh addition for Judicial Reform Scheme
19. Jails ...	1,64		1,64	1,64	1,64	
20. Police ...	13,26		13,26	13,26	13,26	
21. Medical ...	9,27		9,27	9,27	9,27	
22. Sanitation and Vaccination ...	1,25		1,25	1,25	1,25	
Total ..	36,25		36,25	37,25	37,25	
High Prices allowance ..	...		6,80	6,80	6,80	
Public Works.—						
23. Irrigation works charged to Revenue	9,65		8,65	8,65	8,65	Outlay on Bhadra project to be met out of irrigation reserve omitted in all the years.
24. Civil works. ...	27,50		27,50	27,50	27,50	Includes 5 lakhs for new Guests' Palace
Total...	* 37,15		*36,15	*36,15	*36,15	*No provision for Irrigation Reserve in all the years.
High Prices allowance ...	...		1,53	1,53	1,53	

PART II—*Contd.*

EXPENDITURE.

	Budget estimate, 1920–21		Standard based on the budget for 1920–21. No Growth of Expenditure provided for			Remarks.
			1920–21	1921–22	1922–23	
1	2	3	4	5	6	7
Moral and Material Development.						
25. Economic Conference	2,00		2,00	2,00	2,00	
26. Education ...	44,00		44,00	46,00	46,00	2 lakhs addition for the University.
27. Agriculture ...	7,50		7,50	7.50	7,50	
28. Industries and Commerce ...	3,00		3,00	3,00	3,00	
28. *(a)* Industrial development fund ...	1,50		1,50	1,50	1,50	
29 Co-operative Societies	1,16		1,16	1,16	1 16	
Total ...	59,16		59,16	61,16	61,16	
High prices allowance ..	...		5,34	5,34	5,34	
Local Self-Government.						
30. Grants for public improvements ...	7,75		7,75	7,75	7,75	
High prices allowances..	...		12	12	12	
Army and Defence.						
31. Army ...	20,46		20,46	20,46	20,46	
32. Subsidy to British Government ...	35,00		35,00	35,00	35,00	
Total ...	55 46		55,46	55,46	55,46	
High prices allowance ...	...		2,10	2,10	2,10	
Famine relief and Insurance.						
33. Famine Relief ...	...		...	...	...	
34. Famine Insurance ...	5,00		5,00	5,00	5,00	
Miscellaneous; Railway and Electrical Expenditure.						
35 Mis. Railway expenditure ...	21		21	21	21	
36 Mis. Electrical expenditure ...	10		10	10	10	
Total ...	31		31	31	31	
High price allowance of Revenue account of productive works ...	...		76	76	76	

PART II—*Concld.*

EXPENDITURE.

	Budget estimate, 1920–21		Standard bassd on the budget for 1920–21. No Growth of Expenditure provided for			Remarks.
			1920–21	1921–22	1922–23	
1	2	3	4	5	6	7
Special Reserve for Non-Recurring Expenditure.	27,83		3,50	3,50	3,50	In the standard provision is made only for the annual contribution to Reserve for Special non-recurring expenditure. Special items included in the Budget have been distributed in the Standard among the groups.
Add-Unspent allotments transferred to balance at credit of departments	...		...	...	...	
Total Expenditure ...	3,87,65		3,61,93	3,66,20	3,72,93	
Deduct-Expenditure met from Balances at credit of departments and Reserve funds.						
Departmental balances ...	15,82		15,82	...	...	
Reserve for interest on capital expenditure ..	12,84		4,69	4,58	...	
Reserve for non-recurring expenditure, Special grants ...	34,33		*5,00	†50	†50	* 4,50 on account of Viceregal and Prince of Wales' Visit included under General Administration.
Sinking Fund Reserve ...	...		2,72	4,75	53	50 Census included under 14 Scientific and miscellaneous
Total ..	62,99		28,23	9,83	1,03	†Assumed as for 1920–21.
Total Expenditure charged to Revenue ...	324,66		3,33,70	3,56,37	3,71,90	
Surplus or Deficit ...	—9,51		—7,31	—19,79	—22.13	
Grand Total ...	3,15,15		3,26,39	3,36,58	3,49,77	